infirm or whether they are houses constructed by local bodies for sale to poor people on easy terms and for serving as models of up-to-date sanitary houses.

MR. H. M. CHANDRASEKHAR.—How long is it since the poor house at Chikmagalur was built?

MR. M. VENKATANARANAPPA.—Notice.

MR. H. M. CHANDRASEKHAR.—How many persons is it capable of accommodating?

MR. M. VENKATANARANAPPA.—Notice.

MR. H. M. CHANDRASEKHAR.—Is the poor house working at all?

MR. M. VENKATANARANAPPA.—Notice.

MR. H. M. CHANDRASEKHAR.—What was the object with which it was opened?

MR. M. VENKATANARANAPPA.—The object was to house the helpless.

MR. H. M. CHANDRASEKHAR.—Is that object being fulfilled?

MR. M. VENKATANARANAPPA.—Notice.

MR. BAGAMANE DEVA GOWDA.—Is not the institution at least 5 or 6 years old?

MR. M. VENKATANARANAPPA.—The information is not before me.

MR. BAGAMANE DEVA GOWDA.—Are the Government aware that the District Board has paid its quota for working the institution?

MR. M. VENKATANARANAPPA.—I do not know.

MR. BAGAMANE DEVA GOWDA.—Will the Government see that the poor house begins to work at least in the near future?

MR. M. VENKATANARANAPPA.—Necessary enquiries will be made.

MR. K. T. BHASHYAM AIYANGAR.—Have the Government given any financial aid to that poor house?

DEWAN.—No.

MR. K. T. BHASHYAM AIYANGAR.—Is it not the duty of the Government to extend some financial aid to it?

MR. M. VENKATANARANAPPA.—No application seems to have been made to Government.

MR. K. T. BHASHYAM AIYANGAR.—Will the Government at least consider on their own initiative whether any such help is called for or not?

MR. M. VENKATANARANAPPA.—Yes.

MR. K. T. BHASHYAM AIYANGAR.—Are the Government aware that they have been of some help to the Asakthaposhaka Sabha at Bangalore?

DEWAN.—Notice, please.

MR. K. T. BHASHYAM AIYANGAR.—Is the institution at Chikmagalur a public or a private institution?

DEWAN.—I hope that the member will be satisfied with the reply that has been given, namely, that Government will take necessary action to start the institution as soon as possible.

Gold in Honnali Taluk.

NAWAB SHER KHAN (Minorities).—

Q.—40. Will the Government be pleased to state :—

(*a*) Are Government aware that, from the experiments made, it has been found out that superior quality of gold is available in the Honnali Taluk?

(*b*) If so, when will they undertake to work the mines?

THE SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT (MR. M. VENKATANARANAPPA).—

A.—(*a*) No.

(*b*) No such proposal is under consideration.

NAWAB SHER KHAN.—Are the Government aware that gold mining on a large scale is possible in the Honnali Taluk?

THE FIRST MEMBER (*Rajamantrapravina Diwan Bahadur* K. MATTHAN).—Government are aware that some are of that opinion, but they are not prepared to hazard an opinion.

NAWAB SHER KHAN.—Are the Government aware that gold mining was going on in that taluk in times gone by?

MR. K. MATTHAN.—Government understand that it was so.

NAWAB SHER KHAN.—Is it a fact that recently a few European experts visited the locality and expressed the opinion that gold mining was possible there even now?

MR. K. MATTHAN.—The information of Government is that the experts merely studied the prospects.

NAWAB SHER KHAN.—Is there any truth in the report that Government have entered into an agreement with Messrs. John Taylor & Sons, Ltd., in respect of mining operations in the area with effect from November this year?

MR. K. MATTHAN.—No. But applications for prospecting licenses have been received from some companies and they are under consideration.

NAWAB SHER KHAN.—In view of the fact that gold is selling very high, would it not be possible for Government themselves to take up the mining operations?

MR. K. MATTHAN.—Government have no intention of undertaking such a speculative business.

NAWAB SHER KHAN.—Is it not desirable for Government to give special encouragement at least to the companies which have offered to take up the work of mining?

MR. K. MATTHAN.—That question may arise after the area is first explored and there are reasonable hopes of workable quantities of ore being obtained.

MR. G. CHANNAPPA.—Have any prospecting licenses been granted already?

MR. K. MATTHAN.—No. But negotiations are going on in that behalf.

GENERAL DISCUSSION ON THE BUDGET—(*concld.*).

MR. N. G. SANJEEVIAH commenced by saying that for several years past the Government seemed to be content with presenting deficit budgets even after drawing from previous reserves almost every year. It was distressing to find that some of the most important items of revenue were fluctuating and some were steadily declining, such, for example, as excise revenue. Land revenue, no doubt, was pretty steady, but after spending a lot of money on establishments the net revenue even from that head was only Rs. 93 lakhs. And even out of that, as much as Rs. 61 lakhs had to be earmarked for payment of interest on the different loans, so that the net balance came down to very little. The Financial Secretary was pleased to say that the provision under interest charges payable had been reduced in view of the proposed repayment of the railway sterling loan in connection with the taking over of the Bangalore-Harihar line. The speaker was not satisfied with that explanation, however, because that loan was due to be repaid only towards the close of the budget year so that for the first 10 months thereof a proportionate interest would have to be paid on the loan. This showed that the budget had been prepared on very defective lines.

Referring to the industrial and other capital works, the member observed that Government had made heavy investments on unremunerative items. This, coupled with the fact that Government were not laying by adequate sums for repayment of loans, showed that they could not long continue their present practice of meeting even normal expenditure only with the help of uncertain items of revenue and drawings from accumulated balances.

THE FINANCIAL SECRETARY TO GOVERNMENT (MR. S. SHAMANNA) reminded the speaker that there was enough sinking fund for liquidating the debts.

MR. SANJEEVIAH replied that sinking funds were fast dwindling, because recurring deficits necessarily meant that either sinking funds or reserves were being drawn upon.

MR. S. SHAMANNA said that the budget under discussion was a surplus budget and so any charge that sinking funds or reserves were being depleted could not apply to it. If at all, it related only to the past.

MR. SANJEEVIAH remarked that in respect of the future it was the duty of Government to see that they did not find themselves in a similar plight. For that, it was necessary that the Government should restrict their normal expenditure to normal revenues and earmark all revenue from capital and other works for the benefit of future generations.